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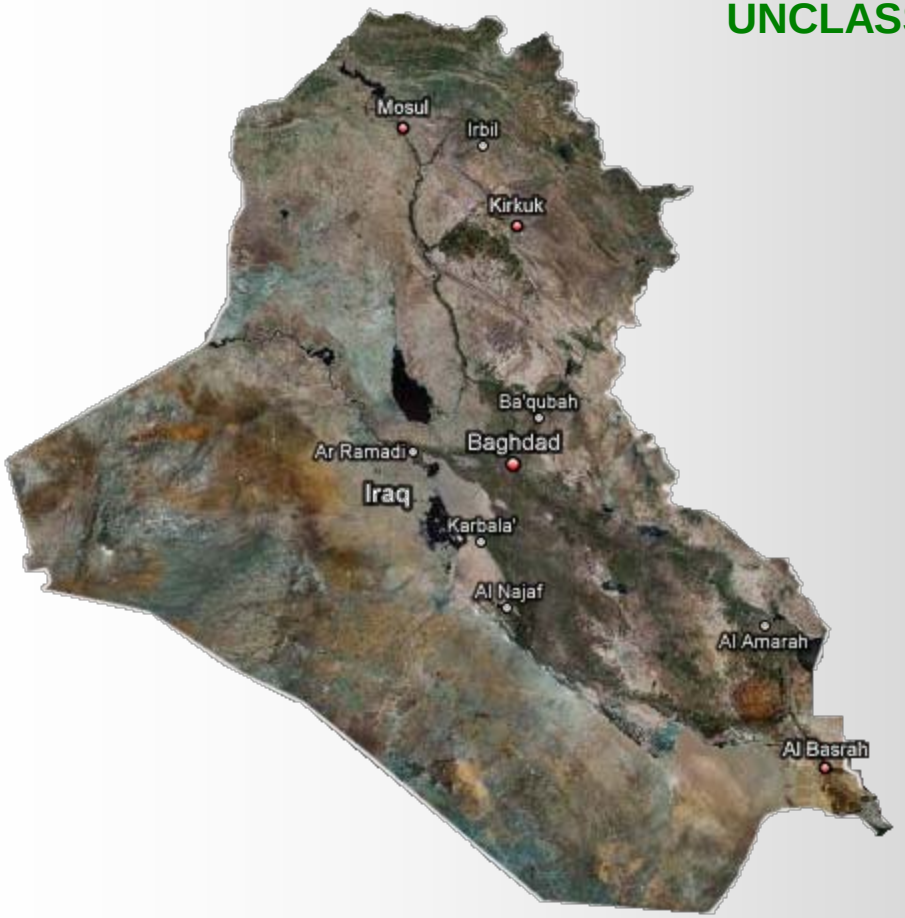

Iraq Status Report

June 16, 2010

Bureau of Near Eastern Affairs
U.S. Department of State

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TABLE OF CONTENTS

HIGHLIGHTS 3

POLITICAL

- Governance & Legislation 4

SECURITY

- Situation Update 9

ECONOMIC

- Oil 11
- Fiscal and Monetary Affairs 14
- Public Services – Electricity 16

DIPLOMATIC

- Political Engagement 17

BEYOND BAGHDAD 18

Contact Information, Notes and Source Citations 19

HIGHLIGHTS

- **Iraq's New COR Convenes on June 14 (*POLITICAL*, page 4)**

- **AQI Front Group Claims Responsibility for Central Bank Attack (*SECURITY*, page 9)**

- **Zubair Oil Field Initial Development Plan Announced (*ECONOMIC*, page 12)**

- **KRG President Barzani Meets with French President Sarkozy in Paris (*DIPLOMATIC*, page 17)**

POLITICAL – Governance & Legislation

Iraq's new COR convenes for the first time

New COR Conducts First Session:

- **The newly elected 325-member Iraqi Council of Representatives (COR) convened on June 14 for the inaugural parliamentary session, nearly three months after the March 7 parliamentary elections took place. The selection of a new president and parliamentary speaker will be the first task for the new government.**

POLITICAL – Government of Iraq

Coalition Affiliation (at time of appointment)
United Iraq Alliance
Kurdistani Alliance
Iraqi Accord Front
Iraqi National List
Other / Independent

(F) = Female

***Formerly Iraqiya

Prime Minister
Nuri Kamil al-Maliki

President
Jalal Talabani

Deputy President
Tariq al-Hashimi

Deputy President
Adil Abd al-Mahdi

Deputy Prime Minister
Rafi Hiad Jiad al-Issawi

Deputy Prime Minister
Rowsch Shaways

Minister of Agriculture	Vacant
Minister of Communications	Faruq Abd al-Qadir Abd al-Rahman
Minister of Culture	Mahir Dilli Ibrahim al-Hadithi
Minister of Defense	Abd al-Qadr al-Mufriji
Minister of Displacement & Migration	Dr. Abd al-Samad Rahman Sultan
Minister of Electricity	Dr. Karim Wahid al-Hasan
Minister of Education	Dr. Khudayr Mousa Jaffar al-Khuzai
Minister of Environment	Dr. Nermin Othman Hassan (F)
Minister of Finance	Bayan Jabr
Minister of Foreign Affairs	Hoshyar Mahmud Zebari
Minister of Health	Salih Mahdi Mutlab al-Hasnawi
Minister of Higher Education and Scientific Research	Abid Dhiyab al-Ujayli
Minister of Human Rights	Eng. Wijdan Mikhail Salim (F)
Minister of Industry & Minerals	Fawzi Fransu Hariri
Minister of Interior	Jawad Kadhum Eidan al-Bulani
Minister of Justice	Dara Nur al-Din
Minister of Housing & Construction	Bayan Dizayee (F)
Minister of Labor & Social Affairs	Eng. Mahmud Muhammad Jawad al-Radi
Minister of Oil	Dr. Husayn Ibrahim al-Shahristani
Minister of Planning	Ali Ghalib Baban
Minister of Trade	Vacant
Minister of Science & Technology	Dr. Raid Jahid Fahmi
Minister of Municipalities & Public Works	Riyadh Abd al-Hamza Gharib
Minister of Transportation	Amir Abd al-Jabar Ismail
Minister of Water Resources	Dr. Abd al-Latif Jamal Rashid
Minister of Youth & Sports	Eng. Jasim Muhammad Jaffar
Minister of State for Civil Society Affairs	Dr. Thamir Jafar al-Zubaidi
Minister of State for National Dialogue	Dr. Akram Mousa Hadi al-Hakim
Minister of State for National Security	Eng. Shirwan Kamil al-Waili
Minister of State for Foreign Affairs	Dr. Muhammad Munajid Aifan al-Dulaymi
Minister of State for Provinces Affairs	Dr. Khulud Sami Izzara al-Majun (F)
Minister of State for Tourism and Antiquities	Dr. Qahtan Abbas Numanal-Jabburi
Minister of State for Women's Affairs	Dr. Khulud Sami Izzara al-Majun (F), Acting)
Minister of State for CoR Affairs	Safa al-Din Muhammad al-Safi
Minister of State at Large	Muhammad Abbas Muhammad al-Uraybi
Minister of State at Large	Ali Muhammad Ahmad
Minister of State at Large	Hasan Radhi Kazim al-Sari

POLITICAL – Key Legislative Issues

Legislative Process

Council of Ministers (CoM) → **Shura Council** → **Council of Representatives (COR)** Debate after 2nd Reading, Vote after 3rd Reading, and Committee Reports Throughout → **Presidency Council** → **Published in Official Gazette**

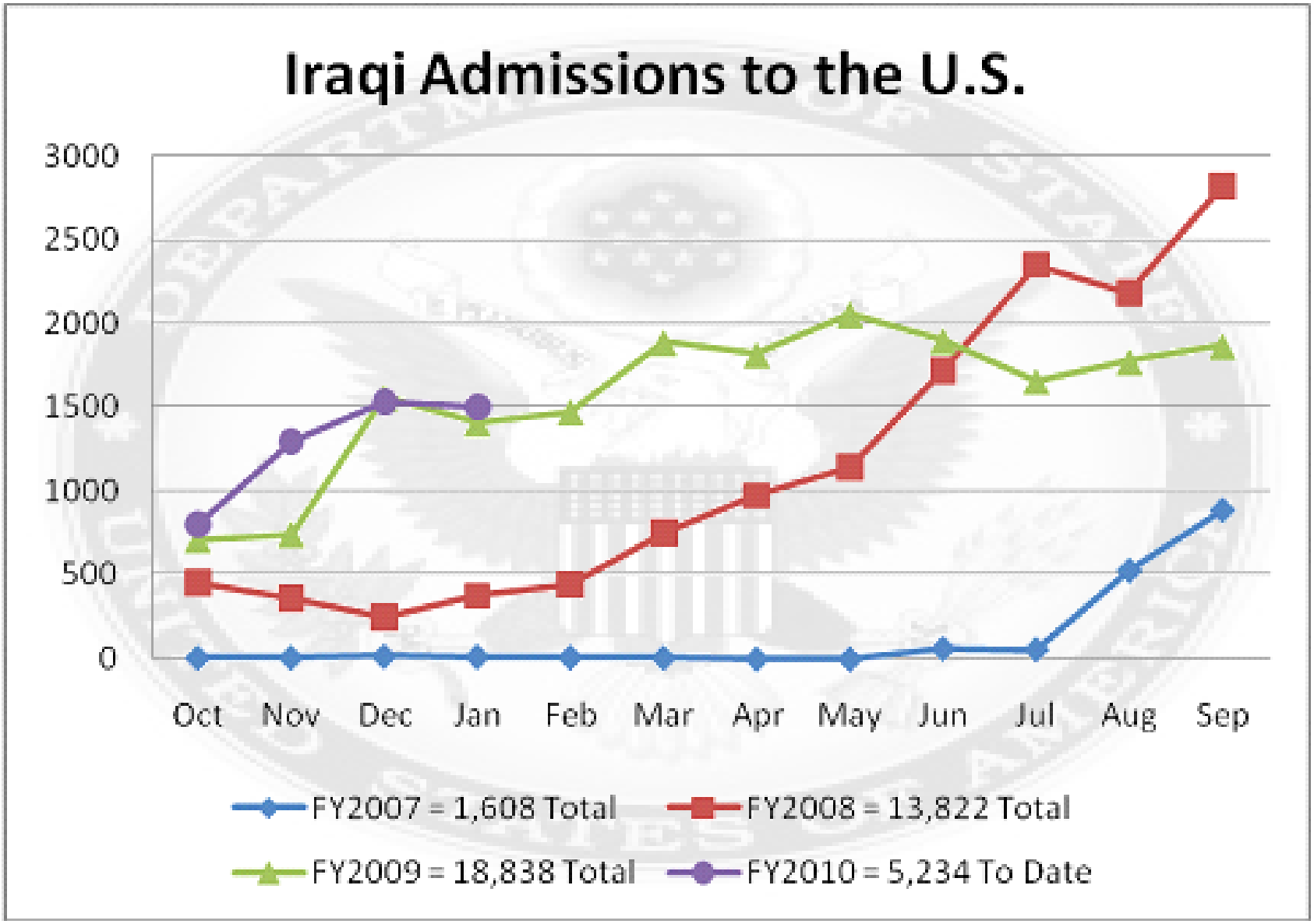
- **Hydrocarbons Package:** The Framework Law was resubmitted to the Oil and Gas Committee on October 26, 2008 and then returned to the Council of Ministers. There has been no progress on the other three laws in the package.

- **NGO Law:** This law, approved March 3, will regulate the operations and funding of Non-Governmental Organizations operating within Iraq.

POLITICAL – Refugee Update

- **There are almost 229,000 Iraqi refugees currently registered with the UN High Commissioner for Refugees (UNHCR) in neighboring countries and an undetermined number of unregistered refugees. UNHCR reports that 1.5 million Iraqis remain internally displaced due to sectarian violence following the Samarra Mosque bombing of February 2006.**
- **Since the beginning of 2008, some 464,000 Iraqis have returned to their neighborhoods in Iraq. The majority of the Iraqis returning were internally displaced persons.**
- **In FY09, the U.S. Government contributed $387 million to international and nongovernmental organizations to assist Iraqi refugees, internally displaced, and conflict victims.**
- **Since the program's inception in FY07, 46,581 Iraqi refugees have been admitted to the U.S. for resettlement.**
- **As of September 2009, a total of 1,143 Special Immigrant Visas (SIVs) have been issued for Iraqis translators and interpreters (and their dependents) since FY07 (under the Section 1059 program)**
- **As of September 2009, a total of 1,716 SIVs have been issued for Iraqis employed by the U.S. government (and their dependents) since FY08 (under the Section 1244 program).**

POLITICAL – Refugee Update



SECURITY – Situation Update

Violence continues yet number of overall Iraqi deaths decline

AQI Front Group Claims Responsibility for Central Bank Attack:

- **At least a dozen Iraqis were killed after a series of bombings around Iraq's Central Bank in Baghdad on June 13. The assailants were armed with suicide vests and were reportedly wearing Iraqi Army uniforms. The Islamic State of Iraq (ISI) has claimed responsibility for the attack.**

ISF and Iraqi Civilian Deaths Decrease over Last Year:

- **USF-I is reporting that deaths of Iraqi civilians and Iraqi Security Forces are down over the last year. In a comparison of the first six months of 2010 to the same period in 2009, deaths from terrorist attacks have dropped by nearly half. Deaths dropped from nearly 450 in April 2009 to just over 200 in April of 2010, and from nearly 350 in May of 2009 to about 250 in May. June deaths so far in 2010 are well below June 2009 levels.**

SECURITY – Situation Update

Violence continues yet number of overall Iraqi deaths decline

Local Council Chairman Arrested on Terrorism Charges:

- **Saleh Mahdi Saleh, a local Sunni official from the Sadiyah sub-district of Diyala, was arrested by Iraqi police on terrorism charges. Saleh, the head of the municipal council, was detained following information authorities received from Saleh's son, who was arrested on similar charges days before. An official with the Diyala Provincial Security Committee said 11 lb. of TNT and remote controlled devices were found in Saleh's home. Saleh is a member of the Sunni Arab Group political coalition in Diyala. His coalition did not win any seats in the 2010 parliamentary elections.**

Seven Killed in Mosul After AQI Revenge Attacks:

- **At least seven people were killed in Mosul after local residents reportedly turned on suspected members of al-Qaida in Iraq (AQI). The killing of a local Ministry of Trade employee by AQI terrorists triggered the violence after family members of the deceased attacked the suspected perpetrators and neighbors thought to be associated with them.**

ECONOMIC – Oil

Crude Oil Update:

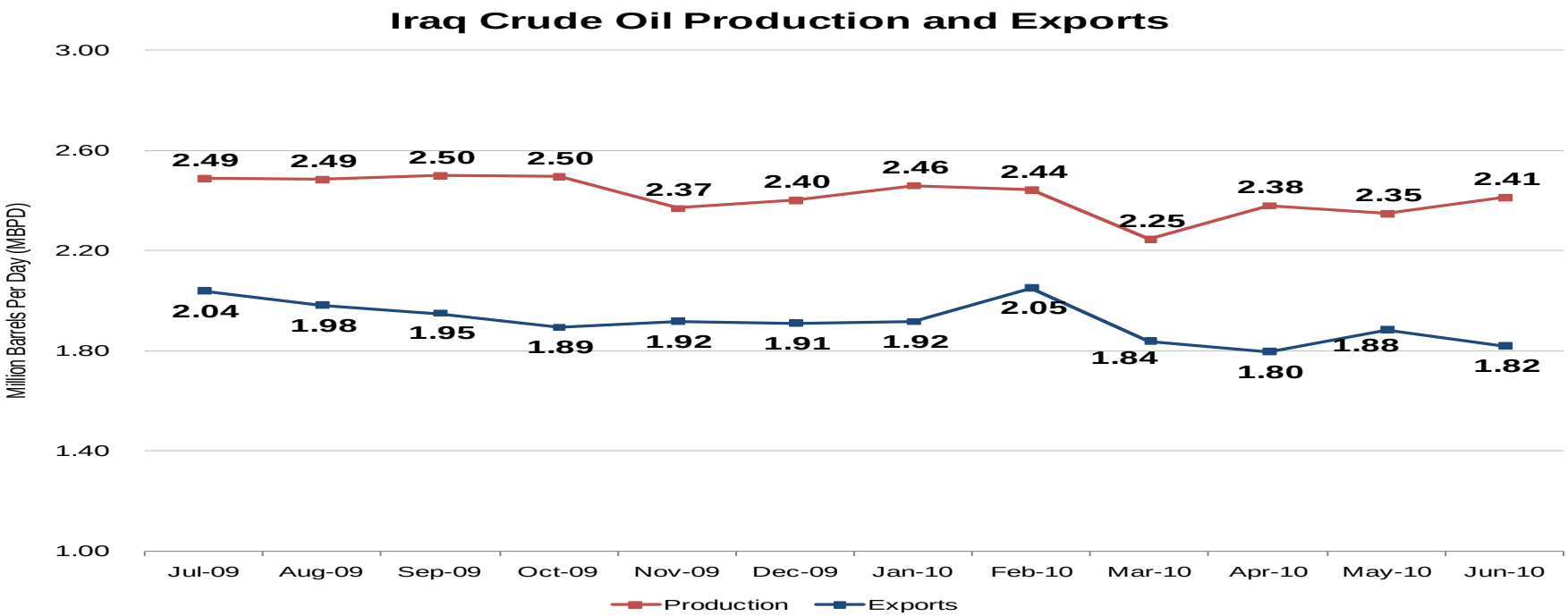
Price averages in world markets closed with the following prices:

Basrah Light at $68.67/barrel

Dated Brent at $73.22/barrel

WTI Cushing at $73.41/barrel

Oman/Dubai at $72.55/barrel



Note: Y-Axis starting point has been changed from zero to 1.0

Revenue estimates:

2008: $61.9 Billion **2009: $39.2 Billion** **2010 (ytd): $23 Billion**

ECONOMIC – Oil

Zubair oil field initial development plan unveiled

Initial Development Plan for Zubair Oil Field Revealed:

- **Italian energy company Eni SpA announced an initial development plan for Iraq's Zubair oil field on June 7. The plan, in partnership with Occidental Petroleum Corporation and Korean Gas Corporation, includes the drilling of 12 new wells and the revamping of five existing wells to boost output by 10% by the end of 2010. The Zubair oil field currently produces 183,000 barrels per day and holds 6.5 billion barrels of oil in reserve. The plan includes a three-year goal of 700,000 barrels per day facilitated by 46 new wells and the upgrade of 100 more. Two hundred fifteen new wells and 124 water injection wells are also planned for construction between 2013 and 2020 in order to reach a long-term target of 1.2 million barrels per day, which Eni SpA says can be achieved within six or seven years. Eni SpA announced it would invest up to $20 billion in the project.**

ECONOMIC – Oil

Zubair oil field initial development plan unveiled

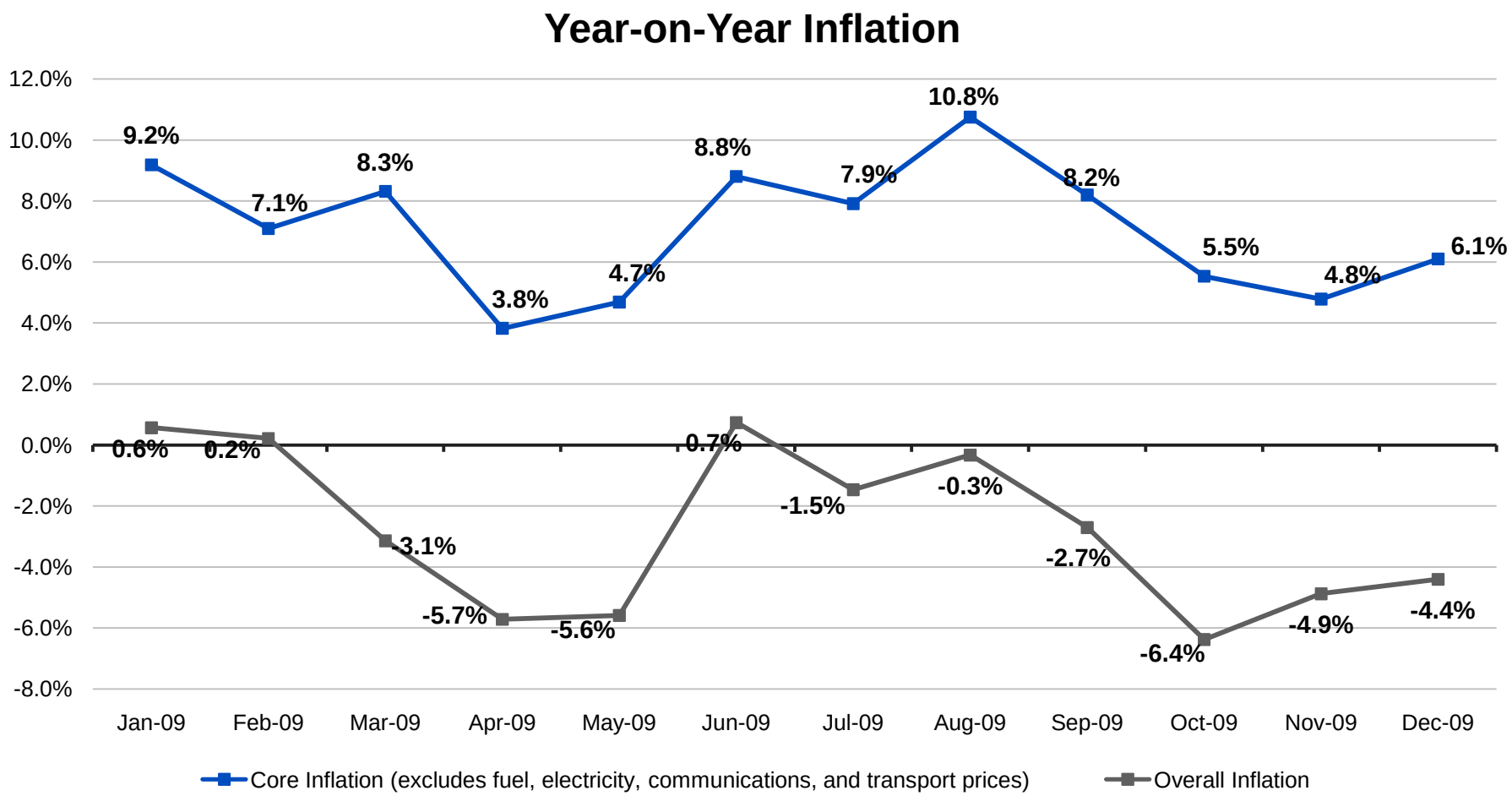
Iraqi Kurdish Alliance Seeks Oil Rights in Government Formation Process:

- **KRG Prime Minister Barham Salih said in an interview on June 14 that written guarantees on important Kurdish issues, such as oil rights in Iraqi Kurdistan, are conditions to the Kurdish Alliance joining a coalition to form a new Iraqi government. PM Salih stated that contracts written between the KRG and oil companies are valid under the constitution and should be regarded as legitimate by the next central government of Iraq.**

China Looks to Iraq for Energy Needs:

- **Chinese companies are increasingly looking to Iraq to fulfill China's growing oil and energy needs. China's oil needs recently hit 8.43 million barrels per day, which is an increase of 12.7 % from last year, and is twice its domestic crude oil production. Al-Waha Oil Company, an affiliate of China National Petroleum Corporation, is currently operating in Wasit province.**

ECONOMIC – Fiscal and Monetary Affairs

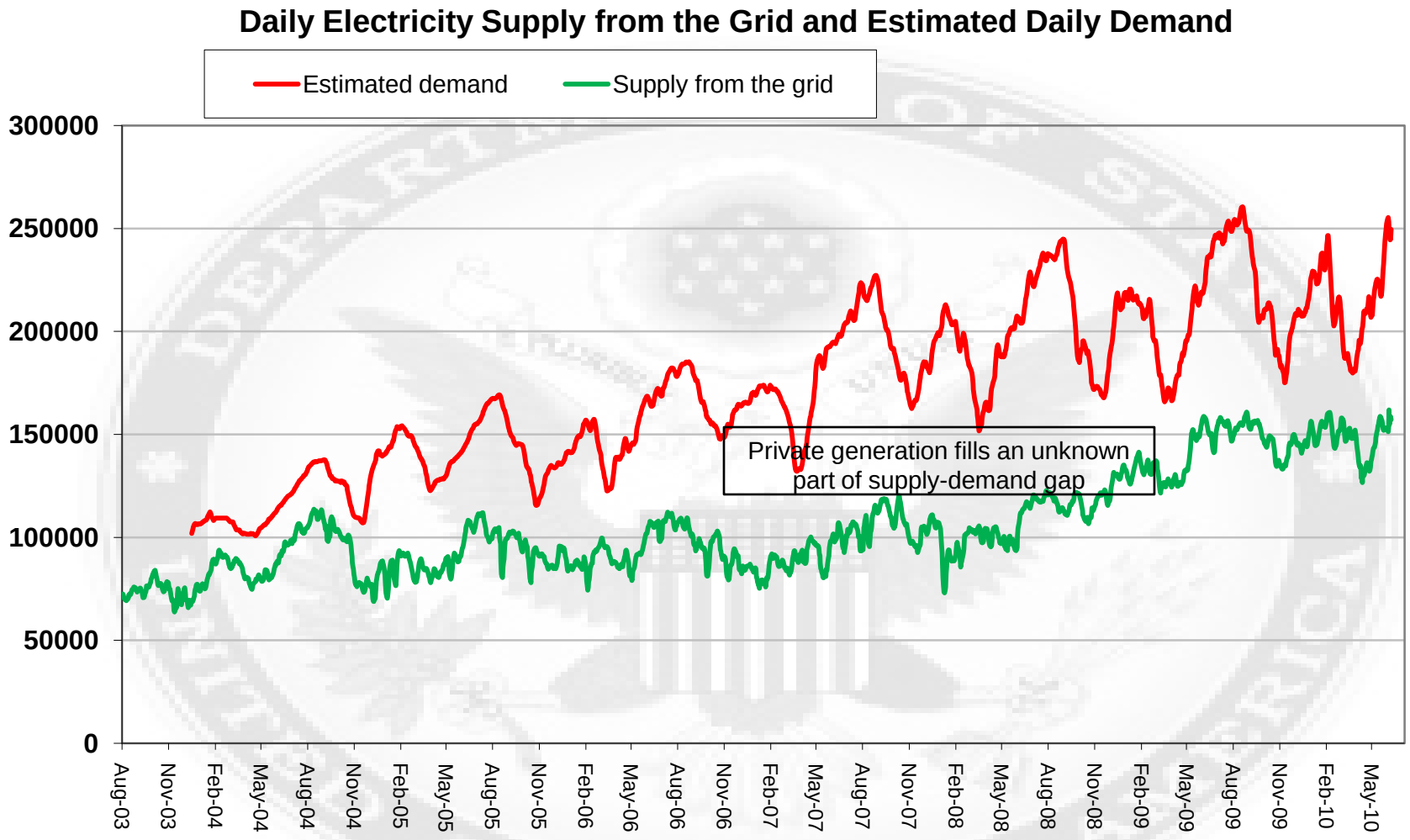


• In 2010, the Central Bank of Iraq began using a new Consumer Price Index. As a result, year-on-year inflation data for 2010 are unavailable at this time.

ECONOMIC – Fiscal and Monetary Affairs

Economic Indicator	This Week	Last Week	Last Month	Last Year
Iraqi Debt Swap Bond Prices and Yields				
Price (USD)	$82.95	$83.35	$81.59	$64.50
Yield	7.57%	7.52%	7.73%	10.32%

Public Services – Electricity



- Electricity supply from the grid June 8-14 was unchanged from the same period in 2009 and met 63% of estimated demand, compared with 68% for the year-earlier period.

DIPLOMATIC – Political Engagement

GOI strengthens relations with international partners

Barzani Visits France:

- **KRG President Massoud Barzani held a meeting with French President Nicolas Sarkozy in Paris on June 15. The Kurdistan Democratic Party reports that the two leaders discussed the latest developments in Iraq's Kurdistan region. The visit was prompted by an official invitation from President Sarkozy to discuss ways of boosting bilateral relations between the Kurdistan Regional Government and France.**

Beyond Baghdad

Literacy Classes in Nasiriyah Prison

"…we will help Iraq's institutions strengthen their capacity to protect the rule of law, confront corruption, and deliver basic services."

President Barack Obama

Recent Highlights

Dhi Qar

Dhi Qar PRT is working in cooperation with Nasiriyah Prison to develop and provide resources for the prison's inmate literacy training program. Computers were donated to the prison's IT Training Center, which will assist inmates in skill-building and future employment opportunities upon release. The PRT, in partnership with the prison Governor, Dr. Abbas, has instituted this training as part of a broader prisoner rehabilitation program. Through this program Dr. Abbas envisions Iraqi detention centers becoming "places of rehabilitation and healing."

Basrah

A two-day training session was held in early June for over 30 librarians from Basrah University at the facilities of the Basrah PRT. Conducted by the Director of the Information Resource Center (IRC) from the Public Affairs Section in Baghdad, the sessions included modern library management strategies, digital library development, and community engagement. The training emphasized practical steps to modernize Basrah's libraries and to make their resources more accessible to the general public. One of the most notable outcomes of the session was the desire to create a unified catalogue of the different college libraries across the university. The librarians were also very interested in strengthening the library system on the national level.

CONTACT INFORMATION

This brief draws from multiple sources. References are cited on the following pages.

For additional information, please see:

- **Department of State, Section 2207 Report on Iraq Relief and Reconstruction**
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- **Department of State, Section 1227 Report on Iraq**
  http://2001-2009.state.gov/p/nea/rls/rpt/
- **Department of Defense, Section 9010 Measuring Stability and Security in Iraq**
  http://www.defenselink.mil/home/features/Iraq_Reports/index.html

Please forward all questions and/or comments to:

NEA-I-IPOG-DL@state.gov

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- Reuters, June 15, http://www.reuters.com/article/latestCrisis/idUSRAS531307

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- Wall Street Journal, June 9, http://online.wsj.com/article/BT-CO-20100609-708041.html?mod=WSJ_World_MIDDLEHeadlinesMideast

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- Source for Stories: US Embassy Baghdad, Provincial Reconstruction Teams, June 2, 2010
- US Embassy Baghdad, Provincial Reconstruction Teams, June 2, 2010
- Source for President Obama's Quote: http://www.whitehouse.gov/the_press_office/Remarks-of-President-Barack-Obama-Responsibly-Ending-the-War-in-Iraq/